

SYSTEMS AND METHODS FOR
ELECTRONIC TRADING THAT PROVIDE
INCENTIVES AND LINKED AUCTIONS

Abstract of the Invention

5 Systems and methods for electronic trading
that provide incentives for gathering orders, making
markets, and submitting block orders, and that enable
linking of multiple auctions are provided. These
systems and methods may first determine if the trader
10 qualifies for an incentive. This determination may be
made based upon one or more characteristics, such as
price, size, duration, etc., of orders submitted to the
trading system by the trader. Once the trader has been
determined as being eligible for one or more incentives,
15 the incentives that are provided may include reduced
transaction costs, cash payments, priority or exclusivity
in trading, self execution of transactions, etc.
Similarly, before an order is eligible to be traded in
an auction that is linked to another auction in the
20 trading system, the order is preferably confirmed as
qualifying to be auctioned in such a manner. Once an
order is confirmed as qualifying for a linked auction,
the auction is created and preferably linked to another
auction based upon a characteristic of the order, such
25 as price. In addition to being linked, information from
each auction may be made available to traders in the
other auctions.

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